



## 2002 Connecticut Tax Amnesty: Either Way, You Will Pay

From September 1 through November 30 DRS will conduct the 2002 Connecticut Tax Amnesty Program. Amnesty represents an extremely beneficial opportunity for businesses and individuals – residents and nonresidents – to pay back taxes and reduced interest owed to the State of Connecticut.

Taxpayers with state tax delinquencies for any period ending on or before March 31, 2002, will be able to pay their tax debt without fear of penalty or criminal prosecution during the three-month program. Taxpayers may also be eligible for a 25 percent reduction in the interest they owe.

*Either way, you will pay.*  
**★CT★TAX★**  
**AMNESTY**

The 2002 Connecticut Tax Amnesty Program applies to virtually all state taxes administered by DRS, including income tax, corporation business tax, and sales and use taxes. It is available to anyone who owes back taxes, whether they intentionally or unintentionally failed to pay their taxes.

For those who were unaware of their tax liabilities, Amnesty will provide information to correct past delinquencies and avoid future filing problems. For those who intentionally avoided taxes, Amnesty offers a last chance to come forward and clean the slate.

## Farmer Tax Exemption Permit Renewals Due

Farmers with a current Connecticut Farmer Tax Exemption Permit must renew their exemption permit in 2002. Under the current two-year cycle (permits are now required to be renewed every two years), permits will expire September 30, 2002. New permits issued in 2002 are valid from October 1 (or the date it is issued, whichever is later) until September 30, 2004.

Farmers cannot make exempt purchases with the current permit after September 30, 2002.

Retailers making sales to a customer claiming to be exempt as a farmer, must obtain proof that the customer holds a valid Farmer Tax Exemption Permit. The exemption only applies to goods used directly in agricultural production. If an exemption permit is not provided or the item is not for agricultural production, sales tax must be collected.

## Benefits of CT Tax Amnesty

If taxpayers come forward before November 30, 2002, and complete the terms of the 2002 Connecticut Tax Amnesty Program, they will be offered the opportunity to receive the following benefits:

- Resolve past tax liabilities;
- Obtain good standing with DRS;
- Eliminate penalty on the amount due; and
- Avoid criminal prosecution.

In addition, for those individuals or businesses that:

- Failed to file a return that was required by law or underreported tax on a previously filed return, Tax Amnesty offers a reduced interest rate. Interest will be computed at .75% (.0075) per month or fraction of a month instead of the statutory 1% (.01) rate if DRS has not contacted the taxpayer about these taxes; or
- Have an unpaid bill from DRS and pay the bill in full during the amnesty period, DRS will reduce the amount of interest due by 25% when amnesty is granted. (There is no adjustment for previously paid interest.)

## How to Apply for CT Tax Amnesty

Applicants must complete **Form OP-305, Application for Tax Amnesty**. Payment of tax and interest for the period(s) for which you are requesting amnesty must accompany the application.

► [CT Tax Amnesty, on back](#)

### To Qualify for CT Tax Amnesty

A taxpayer must be an individual, business, or a fiduciary of an estate or trust that:

1. Failed to file a return for any taxable period ending on or before March 31, 2002;
2. Underreported tax on a return filed for any taxable period ending on or before March 31, 2002; or
3. Has an unpaid bill from DRS for taxable periods ending on or before March 31, 2002.

To avoid delay in the processing of the Farmer Tax Exemption Permit renewal application, applicants must submit all required documents. The following is a list of required documents:

1. **Form REG-8, Application for Farmer Tax Exemption Permit;**
  2. **A signed copy of the specified pages of their 2001 federal income tax return (see Form REG-8 for complete information); and**
  3. **A copy of Schedule F or Schedule C of their federal return on which their farm income is reported.**
- NOTE: If the farmer submits Schedule C, the farmer must submit a list of products sold and expenses related to the raising of the farm products.**

See **Informational Publication 2002(10), Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax**. **IP 2002(10)** and **Form REG-8** are available on the DRS Web site and from the Forms Unit.

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The **Mission of the Connecticut Department of Revenue Services** is to administer the tax laws of the State of Connecticut and collect the tax revenues in the most cost effective manner; achieve the highest level of voluntary compliance through accurate, efficient and courteous customer services; and perform in a manner which instills public confidence in the integrity and fairness of the State's tax programs.

## Recently Issued DRS Publications

DRS recently issued the publications listed below. See the "Forms, Publications or Personal Assistance" section below for ways to obtain these and other DRS forms and publications.

### Announcements

**AN 2002(6)**, Identification of Recent Amendments to the International Fuel Tax Agreement Approved by the Department of Revenue Services

**AN 2002(2.1)**, List of Registered Natural Gas Providers

**AN 2002(1.2)**, Quarterly List of Distribution for Motor Vehicle Fuels Tax Purposes

### Informational Publications

**IP 2002(14)**, Connecticut Income Tax Withholding Tables for Single Filers Effective July 1, 2002

**IP 2002(12)**, Q & A on the Connecticut Tax Amnesty Program

**IP 2002(10)**, Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax

**IP 2002(6.2)**, Topical Index to Rulings and Administrative Pronouncements Covering Miscellaneous Taxes and Administrative Topics

**IP 2002(5.2)**, Topical Index to Rulings and Administrative Pronouncements Covering Sales and Use Taxes

**IP 2002(4.2)**, Numerical Index to Rulings and Administrative Pronouncements as Affected if at all by Later-Issued Rulings and Pronouncements

**IP 2002(3.2)**, Topical Index to Rulings and Administrative Pronouncements Covering Corporation Business Tax

**IP 2002(2.2)**, Topical Index to Rulings and Administrative Pronouncements Covering Income Tax

### Special Notices

**SN 2002(9)**, Sales and Use Taxes on the Furnishing of Space for Storage

**SN 2002(8.1)**, 2002 Sales and Use Taxes and Motor Vehicle Rental Surcharge Legislation (**This version replaces SN 2002(8) released 7/22/02.**)

**SN 2002(7.1)**, Motor Vehicle Fuels Tax on Diesel Fuel Inventory as of July 31, 2002 (**This version replaces SN 2002(7) released 7/16/02.**)

**SN 2002(6)**, Motor Vehicle Fuels Tax Changes as of July 1, 2002 and August 1, 2002

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### CT Tax Amnesty from front

Your application will be timely if DRS receives the application on or before November 30, 2002, or if the date shown by the U.S. Post Office cancellation mark is on or before November 30, 2002. Extensions will not be granted.

Information and applications are available:

**Internet:** [www.ct.gov/taxamnesty](http://www.ct.gov/taxamnesty)

**Phone:** 860-297-5962 or  
1-800-382-9463 (in-state)

24 hours a day. Select **Option 2** on your touch-tone phone.

**Fax:** Call 860-297-5698 from the handset attached to your fax machine, and follow the voice prompts to request Document 3.

**In Person:** Applications are available in town halls, post offices, and libraries and in all DRS offices during business hours.

### Amnesty Payment Plans

If you wish to apply for CT Tax Amnesty but cannot meet the payment obligation to qualify, DRS will entertain requests for payment plans on a case-by-case basis.

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## Forms, Publications, or Personal Assistance

- Visit the DRS Web site: [www.drs.state.ct.us](http://www.drs.state.ct.us)
- Call CONN-TAX at 1-800-382-9463 (toll-free from within Connecticut) or 1-860-297-5962 (from anywhere). TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day, seven days a week by calling 860-297-4911.

Forms and publications may be obtained 24 hours a day, seven days a week, by using any of the following resources.

**Internet:** Preview and download forms from the DRS Web site at [www.drs.state.ct.us](http://www.drs.state.ct.us)

**DRS TaxFax:** Call 860-297-5698 from the handset attached to your fax machine.

**E-mail:** E-mail your request for forms to: [ctforms.drs@po.state.ct.us](mailto:ctforms.drs@po.state.ct.us)

**Telephone:** From a touch-tone phone 24 hours a day call 1-800-382-9463 (toll-free from within Connecticut) and select **Option 2**, or 860-297-4753 (from anywhere).

For free assistance, visit our offices from 8:00 a.m. to 5:00 p.m. (Monday through Friday). For pre-recorded directions to DRS offices, call CONN-TAX. If you require special accommodations, please advise DRS.

### DRS OFFICES

<b>BRIDGEPORT</b>	<b>HARTFORD</b>	<b>NORWICH</b>
10 Middle St.	25 Sigourney St.	2 Cliff St.
203-579-6251	860-297-5962	860-889-2669

<b>HAMDEN</b>	<b>WATERBURY</b>
3074 Whitney Ave.	55 West Main St.
Bldg 2	Suite 100
203-287-8243	203-805-6789

CONNECTICUT TAX TOPICS is a quarterly newsletter about sales and use taxes and other state taxes of interest to businesses. This newsletter is designed to provide general information for taxpayers and tax practitioners. It is not designed to explain in depth a current Department policy or practice affecting the liability of taxpayers. Nothing in this publication supersedes, alters or otherwise changes provisions of Connecticut General Statutes, regulations, Department rulings or tax information publications.

## Understanding Connecticut Taxes Clearly

DRS is pleased to offer *Understanding Connecticut Taxes Clearly*, a free program designed to provide a broad overview of Connecticut tax requirements for new and existing small businesses.

Space is still available. Call now to register. Programs are held from 6:30 p.m. to 9:00 p.m. Call Melvin Jones at 860-297-4935 to register.

### 2002

**ENFIELD ..... September 26**  
**FARMINGTON ..... October 3**  
**DANIELSON ..... October 10**  
**DANBURY ..... October 17**  
**MIDDLETOWN ..... October 24**  
**NORWICH ..... November 7**  
**BRIDGEPORT ..... November 14**  
**WATERBURY ..... December 5**  
**MANCHESTER ..... December 12**

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